



CITY COUNCIL REPORT

Date: July 23, 2012

To: Michael Culpepper, Acting City Manager

From: Susan Leirstein, Purchasing Director
William S. Nelson, Fire Chief

Subject: Fire Apparatus Purchase Update

City Council directed staff to negotiate with Pierce Manufacturing and their local representative, Halt Fire Apparatus regarding the price of the replacement rescue pumper for the fire department. I contacted Halt Fire Apparatus and they provided the following time line for the 2011 consortium fire apparatus bid.

July 6, 2011 – bids were opened for 10 fire apparatus for six fire departments- The pricing in the bid document was guaranteed for 90 days from bid opening date (expired October 4, 2011)

November 11, 2011 – Pierce permitted Independence Township to “tag-on” to the bid for three pumpers at the bid price. (Less than 5 weeks after the bids expired)

Halt Fire Apparatus indicated that our request for pricing to purchase one additional engine after July 1, 2012 was quoted almost nine months after the bid pricing had formally expired and eight months after Pierce had extended the bid pricing for 5 weeks to facilitate the purchase of 3 apparatus by one department.

Halt Fire indicated that no further price concessions were possible.



HALT FIRE
INCORPORATED

Heroes.
They Deserve The Best

July 12, 2012

City of Troy Fire Department
500 West Big Beaver Road
Troy, MI 48084

Subject: Additional Discount

Dear Chief Nelson:

After our discussion I called Pierce to seek additional discounts above and beyond the \$35,400.00 concession. Unfortunately the response was that no additional concession was possible.

Please understand that the original group bid was provided over one (1) year ago. That original group bid was provided to several departments which equated to ten (10) trucks sold. As word spread to neighboring departments of this opportunity, we were able to convince Pierce to provide the group bid concession for those tag-on units. At that time, Pierce agreed but also set a firm deadline for tag-on units with the group bid discount.

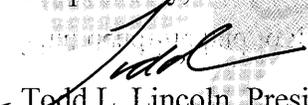
That deadline had long expired.

On a positive note, we were able to acquire a discount of \$35,400.00 from Pierce on another pumper for your fire department. As you know, when a full payment is received upfront, an additional discount of \$19,178.00 can be realized which makes a total of \$54,578.00 discount.

I hope this information is helpful. We certainly thank you for your business and trusting Pierce Manufacturing for building reliable fire apparatus for your community.

Please feel free to phone if you have any questions.

Respectfully,


Todd L. Lincoln, President
Halt Fire, Inc.



7/12/2012